



# SAGIT RESEARCH SUMMARY

## RS216: Publication of 2017 Farm Gross Margin Guide for SA

### IN A NUTSHELL

The 2017 Farm Gross Margin Guide was produced and issued in February 2017, in both static (hardcopy/pdf) and editable (Excel) forms. The Gross Margin Guide incorporates the latest information on input and output pricing to give estimates of the relative profitability of different farm enterprises to assist growers in decision-making.

### FAST FACTS

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#### THE DATES:

**Start:** July 2016

**Finish:** June 2017

#### PROJECT PARTICIPANTS:

Rural Solutions SA: Brett Bartel, Simone Lawson.

Barry Mudge Consulting: Barry Mudge. CKM Management Solutions: David Marriot.

#### THE PROBLEM:

Growers require up-to-date information on gross margins for decision-making.

#### THE RESEARCH:

The 2017 Farm Gross Margin Guide was developed and distributed to growers.

### BACKGROUND

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Gross margin analysis is an important planning tool when deciding on an appropriate enterprise mix. The Rural Solutions SA Farm Gross Margin Guide has been an important reference source for this process for many years.

The guide was extended in 2016 to include an editable Excel version.

### RESEARCH AIMS

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The core objectives of the project were to:

- Provide growers with a template to calculate their own gross margins using data relevant to their situation.
- Provide the RD&E community with reference material to analyse their work for practical relevance to primary producers.
- Extend and upgrade the capability of the editable Excel version of the guide based on feedback from the 2016 version.
- Distribute the guide in hardcopy and electronic form in a timely manner to assist growers with decisions around enterprise selection.

### IN THE FIELD

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The project used the services of Barry Mudge (Barry Mudge Consulting) to update the technical content of the guide. Simone Lawson (Rural Solutions SA) was responsible for overall production coordination. David Marriot (CKM Management Solutions) provided the necessary expertise to develop the Excel editable version.

## IN THE FIELD

Independent agronomy advice is also sought each year to ensure the technical content of the guide remains accurate and representative of current best practice.

The initial work completed in 2016 on the Excel version of the cropping GM tool was extended and upgraded in 2017 based on feedback received from the industry. In addition, and using some supplementary project funding from the Grain & Graze 3 project, a livestock Excel version was produced.

## RESULTS

The guide was available by early February, prior to the new cropping season, with 1000 hard copies distributed at the GRDC Adelaide advisor updates, PIRSA offices, regional businesses and farming systems events.

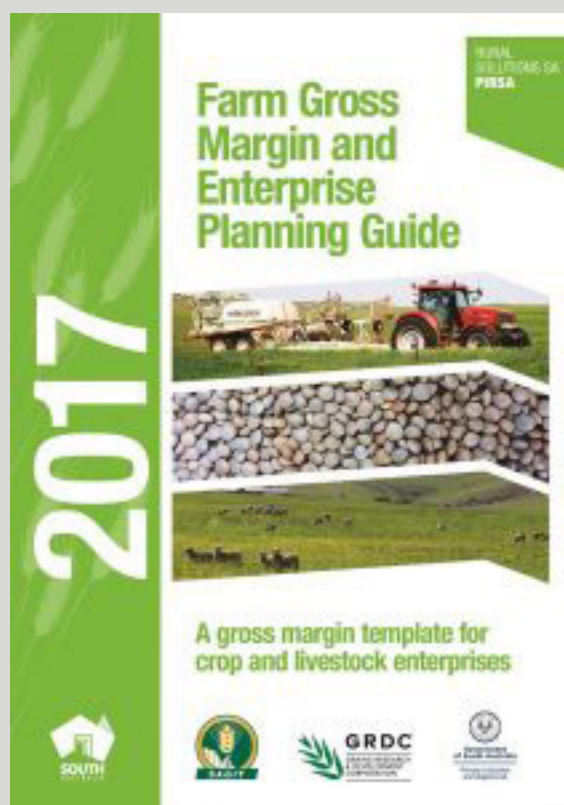
## VALUE FOR GROWERS

Growers can access the guide, including the editable version, on the SAGIT website:

<http://www.sagit.com.au/2017-gross-margin-guide/>.



**25 YEARS**  
1991-2016



The 2017 gross margin guide

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